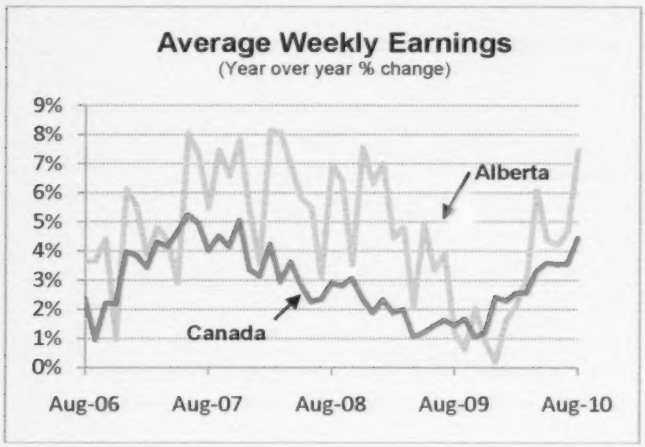
Average Weekly Earnings

Average weekly wages jump in August…

After dipping 0.8% in July, average weekly earnings in Alberta were up 1.9% in August. When compared to August, 2009 Alberta's average weekly earnings jumped 7.5%, the highest in the country and much above Canada's year over year rate of 4.4%. The highest year over year growth rates occurred in mining and oil & gas extraction (22.0%), arts, entertainment & recreation (14.0%), and manufacturing (10.8%). Alberta's year-to-date growth rate (4.2%) in average weekly earnings for 2010 remains one of the strongest in the country – behind only Saskatchewan (4.9%) and Newfoundland (4.8%) and well above the national average of 3.2%.



Rigs Drilling

Drilling activity gains in October…

The average number of rigs drilling in Alberta rose from 177 in September to 260 in October. On a year-over-year basis, the average number of rigs drilling increased by over 100%. Drilling activity is up 67.0% in the first ten months of this year compared to the same period last year.

Canada Real Gross Domestic Product (GDP)

Canadian economic growth returns…

Canada's real GDP grew by 0.3% in August after dipping by 0.1% in July, which was the first decline since August, 2009. The increase was mainly a result of stronger performances by oil and gas extraction (+1.5%), wholesale trade (+1.1%) and manufacturing (+0.5%) industries. Other areas showing improvement in August were in construction (+0.4%) and in the finance and real estate sector (+0.6%) as personal & business loans, residential mortgages and mutual fund sales all increased. The only areas of the economy which slowed were the utilities (-0.8%) and forestry (-4.0%) industries.

Canadian Dollar (US¢/C$)	
October 29, 2010	98.15
October 22, 2010	97.44
2010-11 YTD	97.00
WTI Oil US$/bbl	
October 28, 2010	$ 82.18
October 21, 2010	$ 80.56
2010-11 YTD	$ 77.79
Nymex Natural Gas C$/MMBtu*	
Near-month Contract	
October 29, 2010	$4.06
October 22, 2010	$3.41

*Estimate based on Nymex Futures Market Price

Industrial Product Price Index (IPPI) and Raw Materials Price Index (RMPI)

IPPI up, RMPI down in September…

Canada's IPPI increased 0.2% in September after growing by 0.4% in August. The increase was led by higher prices for primary metal products (+2.0%) and petroleum and coal products (+0.5%). A decrease of 0.5% in the prices for motor vehicles & transportation equipment curtailed the increase in the IPPI. This decrease was a result of the increased value of the Canadian dollar. The RMPI dropped 0.4% in September mainly as a result of lower prices for mineral fuels.

Global Developments

Third quarter US real GDP up…

Preliminary estimates show that the US economy grew by 2.0% (annualized) in the third quarter of 2010 which was in line with market expectations. Much of this growth was in business investment in equipment and software (+12.0%) and consumer spending on durable goods (+6.1%). The US trade balance dropped as imports (+17.4%) were far higher than exports (+5.0%). While US real GDP is now 3.5% above the recession low reached in the second quarter of 2009, unemployment in the US remains high and the core inflation rate continues to trend downward. As a result, a second round of quantitative easing has become more likely, although its' effectiveness remains questionable.

Current Economic Indicators

Population	2008	2009	2010Ytd	May	Jun	Jul	Aug	Sep	Oct
Population1 (000's) (level)	3,591	3,671	3,721	--	--	3,721	--	--	--
% change	2.2	2.2	1.4	--	--	1.4	--	--	--
Net Interprovincial Migraton1 (level)	15,317	13,184	-2,183	--	--	2,820	--	--	--
Net International Migration1 (level)	15,641	16,835	21,533	--	--	8,035	--	--	--
Net Non-permanent Residents1 (level)	18,611	19,162	-77	--	--	-753	--	--	--
Labour Market									
Employment (000's)	2,013	1,988	1,991	1,994	2,000	2,009	2,004	2,004	--
% change	2.8	-1.3	0.0	0.3	0.6	1.1	1.1	0.8	--
Unemployment Rate (%)	3.6	6.6	6.7	6.6	6.7	6.3	6.5	6.2	--
Participation Rate (%)	74.7	74.3	73.1	73.2	73.3	73.1	73.0	72.7	--
Average Weekly Earnings ($) NEW!	923.21	950.13	988.10	985.03	994.21	985.81	1004.11	--	--
% change	6.0	2.9	4.2	4.4	4.2	4.7	7.5	--	--
Price Indices									
Consumer Price Index	3.2	-0.1	1.1	1.1	0.6	1.5	0.6	0.9	--
Excluding food and energy	2.1	1.4	0.8	0.9	0.7	0.8	0.5	0.2	--
Non-Res. Const. Cost Index2 (quarterly)	13.2	-9.8	-2.3	--	0.6	--	--	--	--
Farm Product Price Index	12.9	-10.6	-10.8	-8.9	-9.4	-7.0	-6.4	--	--
Crops	30.1	-18.9	-23.7	-26.1	-25.3	-24.1	-24.1	--	--
Livestock	1.9	-2.8	-0.1	3.4	3.8	7.2	8.1	--	--
Household Sector									
Housing Starts (SAAR, 000's)	29.2	20.0	28.5	29.6	26.9	29.9	24.4	28.9	--
% change	-39.6	-31.6	68.5	107.0	32.5	54.1	17.9	17.5	--
New Housing Price Index	0.7	-9.0	0.2	1.6	1.9	1.5	1.5	--	--
Edmonton	1.0	-11.2	-1.6	-0.1	0.6	0.2	0.5	--	--
Calgary	0.6	-6.7	2.0	3.1	3.2	2.7	2.4	--	--
MLS Average Resale Prices ($ 000's)	351.4	340.5	351.9	355.5	345.4	352.2	347.2	356.8	--
% change	-1.5	-3.1	4.8	7.1	4.0	3.1	-0.5	0.4	--
Edmonton	330.8	319.1	325.4	317.9	303.9	323.2	325.7	333.7	--
% change	-2.0	-3.5	3.4	4.4	2.1	1.5	2.6	-0.7	--
Calgary	401.1	384.3	399.6	411.5	403.8	402.7	392.1	405.3	--
% change	-2.9	-4.2	5.2	9.2	5.8	5.5	-0.8	1.6	--
Retail Sales3	0.2	-8.3	4.9	2.1	3.8	4.5	5.1	--	--
New Motor Vehicle Sales	-7.3	-21.7	10.2	4.7	13.2	10.2	14.6	--	--
Consumer Bankruptcies	6,066	9,986	5,532	672	778	626	615	--	--
% change	27.2	64.6	-18.8	-20.7	-23.8	-28.2	-30.3	--	--
Business Sector									
Rigs Drilling NEW!	236	128	194	56	118	199	222	177	260
% change	-2.1	-45.6	67.0	76.4	99.0	135.2	130.3	59.3	101.4
Goods Exports (customs based)	35.0	-36.3	17.0	47.0	15.1	8.7	13.7	--	--
Energy	43.2	-40.1	26.5	77.5	20.6	8.8	15.7	--	--
Agriculture	31.8	-10.2	-13.9	-5.0	-9.0	-3.4	-8.4	--	--
Total Farm Cash Receipts (quarterly)	17.2	-8.1	-17.3	--	--	--	--	--	--
Manufacturing Shipments	6.9	-23.7	8.1	13.7	10.8	12.5	14.6	--	--
Wholesale Trade4	9.5	-15.9	5.7	7.5	8.4	12.5	20.8	--	--
Building Permits	-16.5	-14.2	20.2	-11.8	32.5	10.1	3.4	--	--
Residential	-31.5	-11.8	56.6	90.9	53.0	19.4	-12.2	--	--
Non-residential	3.7	-16.3	-10.8	-57.7	14.4	-3.0	39.2	--	--
Business Bankruptcies	447	405	257	35	23	27	30	--	--
% change	-0.4	-9.4	-5.9	2.9	-30.3	-22.9	-9.1	--	--

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* YTD – year-to-date represents the change since the beginning of the year compared to the same period in the previous year.

[1] Quarterly; annual numbers are presented on a census year basis (July 1 - June 30).

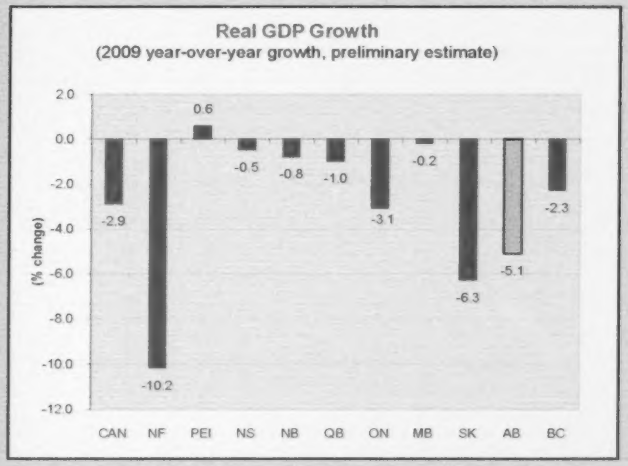
[2] Average of Calgary and Edmonton

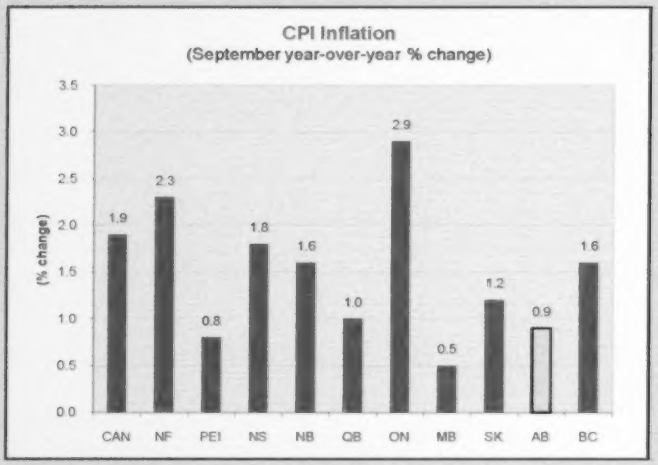
[3] The Retail Sales series was revised on April 23, 2010 and is no longer comparable with numbers in previous Bulletins.

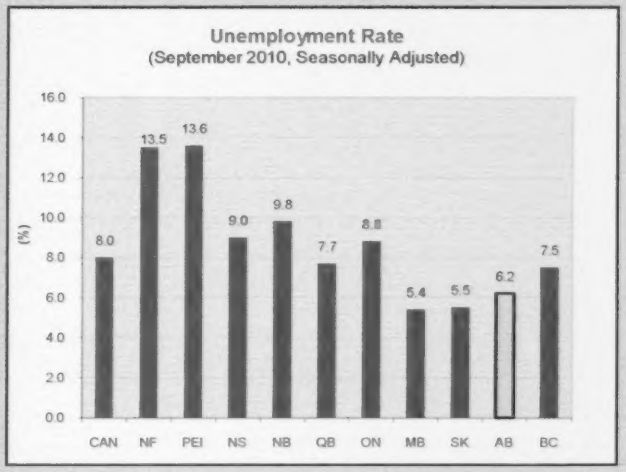
[4] The Wholesale Trade series was revised on April 21, 2010 and is no longer comparable with numbers in previous Bulletins.

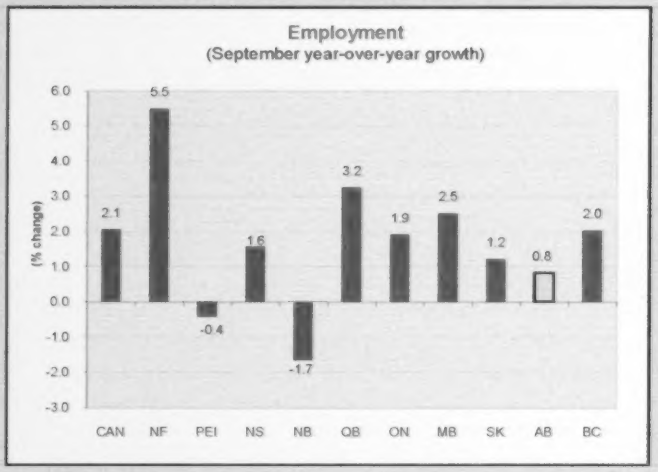
Sources: All data is from Statistics Canada except Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).

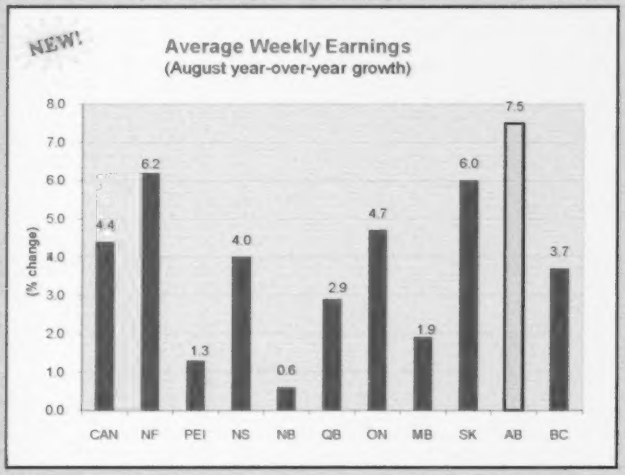
Current Economic Indicators by Province

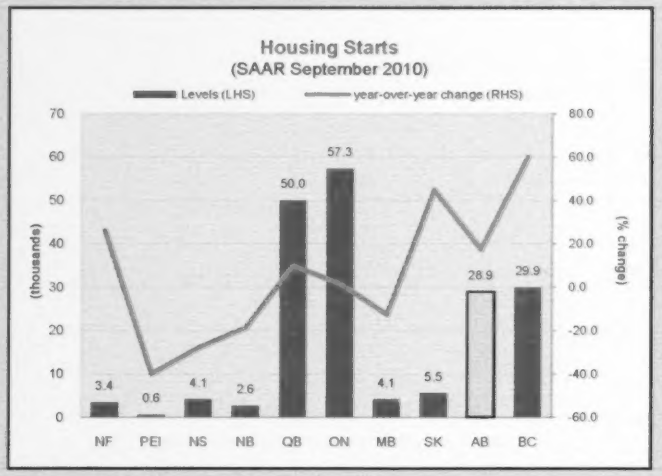












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